Accountability Pro, Inc.

BOOKKEEPING & PAYROLL SERVICES AGREEMENT

Client Engagement Packet

This Agreement establishes the terms and conditions under which Accountability Pro, Inc. will provide bookkeeping and payroll services to the Client.

1. Parties

This Agreement is entered into between Accountability Pro, Inc. ("Provider") and the Fallen Leaf Lake Community Services District ("Client") as of May 23, 2026.

2. Scope of Services

Provider may perform full-charge bookkeeping services including reconciliations, financial statements, accounts payable, accounts receivable, journal entries, payroll processing, payroll tax filings, and related accounting support services, including providing required information and documentation to the Independent Auditor.

3. Fees and Billing

Bookkeeping services are billed at $75.00 per hour. Payroll processing is billed at a base fee of $45.00 per payroll including the first employee, plus $6.00 for each additional employee. W-2 processing is billed at a base fee of $65.00 plus $9.00 per employee. Invoices are due Net 15 unless otherwise agreed in writing. Fees will remain the same through June 30, 2027, at which time Provider will notify Client of any fee increases with no less than 60 days notice.

4. Payroll Authorization

Client authorizes Provider to process payroll and submit payroll filings as directed by Client. Client remains fully responsible for employee data accuracy, payroll funding, tax deposits, and agency compliance.

5. Confidentiality and Data Security

Provider agrees to maintain confidentiality of Client information and maintain safeguards consistent with the FTC Safeguards Rule and industry standards. Client acknowledges that no electronic system is completely secure.

6. Client Responsibilities

Client agrees to provide complete and accurate information in a timely manner, maintain sufficient funds for payroll and tax payments, and review reports promptly.

7. Limitation of Liability

Provider shall not be liable for penalties, interest, or damages resulting from incomplete, inaccurate, or late information provided by Client. Notwithstanding any other provision of this Agreement, Provider's total cumulative liability arising out of this Agreement shall not exceed the total fees paid by Client to Provider during the preceding twelve (12) months.

8. Indemnification

Client agrees to indemnify and hold harmless Provider from claims, damages, or liabilities arising from Client-provided information or Client noncompliance.

To the fullest extent permitted by law, Contractor shall indemnify and hold harmless District, and its directors, officers, employees, agents, volunteers, and representatives ("Indemnitees"), from and against any and all claims, demands, actions, damages, liabilities, losses, penalties, fines, judgments, costs, and expenses, including reasonable attorneys' fees and costs of litigation, arising out of, pertaining to, or relating to:

1. Any gross negligence or willful misconduct of Contractor or Contractor's officers, employees, agents, subcontractors, or representatives in the performance of services under this Agreement;
2. any error, omission, or inaccuracy in bookkeeping, accounting, payroll processing, payroll tax reporting, tax filings, employee compensation reporting, benefit withholding, or financial recordkeeping performed by Contractor;
3. any failure by Contractor to comply with applicable federal, state, or local laws, regulations, reporting requirements, or payroll tax obligations applicable to the services provided under this Agreement;
4. any breach of confidentiality, unauthorized disclosure of confidential information, or failure to safeguard employee, customer, financial, or personally identifiable information; and
5. any claim by a third party, taxing authority, employee, contractor, or governmental agency arising from Contractor's performance or failure to perform services under this Agreement.

Contractor's duty to indemnify shall not apply to the extent a claim, damage, or liability is caused by the active negligence or willful misconduct of the District. Provider shall not be responsible

Contractor's obligations under this section shall survive termination or expiration of this Agreement.

9. Term and Termination

Either party may terminate this Agreement upon 60 days written notice. Provider may terminate immediately for nonpayment or material breach, and Client may terminate this agreement immediately upon material breach by the Provider.

10. Governing Law

This Agreement shall be governed by the laws of the State of California.

Accountability Pro, Inc.

SCHEDULE A – SERVICES & PRICING

Service	Fee
Bookkeeping Services	$75.00/hour
Payroll Processing	$45.00 base + $6/additional employee
W-2 Processing	$65.00 base + $9/employee

SCHEDULE B – CLIENT RESPONSIBILITIES CHECKLIST

☐ Provide payroll information by agreed deadlines

☐ Review financial reports regularly

☐ Maintain adequate payroll funding

☐ Use secure document portals when possible

☐ Notify Provider promptly of employee changes

SERVICE SELECTION

☒ Full-Charge Bookkeeping

☒ Payroll Processing

☒ W-2 Processing Only

☐ Other: _____

Accountability Pro, Inc.

SIGNATURES

Provider	Client
Accountability Pro, Inc.	Fallen Leaf Lake CSD
By:	By:
Name: Michelle Margulies	Name:
Title: President/CEO	Title: General Manager
Date: 5/27/2026	Date: 5/27/2026